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P 080043Z FEB 07
FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC PRIORITY 0496
INFO RUEKJCS/SECDEF WASHDC PRIORITY
RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY
RUEAWJA/USDOJ WASHDC PRIORITY
RULSDMK/USDOT WASHDC PRIORITY
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E.O. 12958: N/A

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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 02/08/07

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3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, February 7

NIHON KEIZAI (Page 2) (Full)
February 8, 2007

07:33

Arrived at Kantei.

08:11

Met Deputy Chief Cabinet Secretary Shimomura.

09:00

Attended a Lower House Budget Committee session.

12:06

Met Shimomura in the Diet building.

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12:39

Attended a national convention demanding the return of the Northern Territories, held at Kudan Kaikan Hall.

13:00

Attended the Lower House Budget Committee session.

17:22

Met Deputy Chief Cabinet Secretary Matoba at Kantei.

19:16

Dined at a Hotel Okura Japanese restaurant with Internal Affairs and Communications Minister Suga, Taimei Yamaguchi, and Yoshitaka Sakurada, both Lower House members.

21:00

Returned to his official residence.

4) Six-party talks to resume today with aim of forming action program on North Korea's nuclear dismantlement; Japan sandwiched between abduction issue and cooperation

YOMIURI (Page 2) (Full)

February 8, 2007

Foreign Ministry's Asian and Oceanian Affairs Bureau Director General Kenichiro Sasae, chief negotiator in the six-party talks on North Korea's nuclear weapons ambitions, arrived in Beijing on the afternoon of Feb. 7 and met separately with the top nuclear negotiators of China and Russia. Sasae told reporters at a Beijing hotel later that day: "This round will form the watershed of the talks. We would like to reach an agreement on a framework to implement the joint statement (in September 2005, in which the North promised to dismantle its nuclear weapons ambitions)." Sasae indicated a willingness to map out an "action program," according to a Foreign Ministry source, specifying what response each nation should make and when.

US Assistant Secretary of State Christopher Hill said regarding the planned formation of an action program, "It is very important to set an overall time-wise framework." He, though, added, "It is to be seen if the North agrees to the plan," thus indicating that the resumed talks would produce an agreement to start implementing the agreement as "the first stage."

Prime Minister Abe has expressed his determination to set forth progress in the abduction issue as the precondition for offering energy aid to Pyongyang. However, in the event that the North takes concrete steps to renounce nuclear arms, many government officials anticipate that "Japan may have to take some measures, because if Japan falls out of step with the other five countries, North Korea would take advantage of it." The Japanese government intends to call on the countries concerned to fully reflect Japan's stand on the abduction issue in it if an agreement is reached on an action

program. Sasae said yesterday, "It is vital to take up the abduction issue and move it forward in the talks."

5) US, North Korea signed memorandum in January with US providing assistance and DPRK suspending nuclear reactor at same time; US made concessions during Berlin talks

ASAHI (Top play) (Excerpts)

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February 8, 2007

Nobuyoshi Sakajiri, Beijing

When US Assistant Secretary of State Christopher Hill held talks in Berlin in January with North Korean Vice Foreign Minister Kim Gye Gwan, they reached a broad agreement on initial steps for the denuclearization of the Korean Peninsula and signed a memorandum, sources said. The memorandum includes a promise to provide energy and humanitarian assistance to North Korea in return for suspending the operation of a nuclear reactor in Yongbyon within several weeks, according to the sources. The six-party talks set to resume today in Beijing are expected to proceed based on this agreement.

This was revealed by some US-DPRK relations sources. It was apparently the first case for a senior US official to have exchanged documents within the six-party talks framework. Immediately after the Berlin talks, a North Korean Foreign Ministry official said: "A certain level of agreement was reached (through the talks)."

The memorandum notes that North Korea will suspend the operation of its 5-megawatt graphite-moderated reactor in Yongbyon and allows International Atomic Energy Agency (IAEA) inspectors, who were expelled from the nuclear plant in December, to return to the site, and that the United States will provide energy and humanitarian assistance to the North. Specifics, such as the quantity and the types of assistance, are not specified in the memorandum. They are expected to become a major topic in the six-party talks.

Earlier this month, Vice Minister Kim in Pyongyang asked visiting former US government officials for a supply of over 500,000 tons of heavy oil annually or electric power equivalent to that until light-water reactors are completed.

The South Korean government is considering resuming rice and fertilizer assistance, which has been suspended since North Korean missile tests last July. Pyongyang is likely to seek more aid.

In the memorandum, suspension of the operation of the nuclear reactor coincides with the timing for resuming assistance, according to the sources. In Tokyo yesterday, Hill highlighted the need to take action for implementing initial measures "within single-digit weeks." Chinese authorities also expressed eagerness to implement initial measures mentioned in the joint statement in two months' time. They seem to have 60 days in mind.

According to the sources, Chinese Vice Foreign Minister Wu Dawei, the chair of the six-party talks, has received a copy of the memorandum from Hill and has been briefed by Kim Gye Gwan, as well.

6) Outline of fisheries basic plan: Establish catch quota for each fishing boat to step up control of resources in EEZ

YOMIURI (Page 2) (Full)
February 8, 2008

The outline of a fisheries' basic plan starting in fiscal 2007, which will become basic guidelines for fisheries policy, was revealed yesterday. In order to strengthen the control of resources in Japan's 200 nautical mile exclusive economic zone (EEZ), the outline stipulates that the introduction of an individual quota (IQ) system to decide a catch quota for each fishery operator and fishing

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boat should be looked for.

The present fishing control system is called the Olympic method, which allows fishing operators to compete freely. Fishing operators are requested to stop their operations when their operations reach the total allowable catch (TAC) by fish species. However, there have been many cases in which the operations exceed the TAC. The IQ system is designed to prevent such "a loophole." Major fishing countries, such as the United States and Norway, have already introduced this system.

The Fisheries Agency will have its Fisheries Policy Council discuss the outline to formulate a plan within the year. According to the outline, the self-sufficient rate of fish and seafood for eating would be increased from the 57% in fiscal 2006 to 65% in fiscal 2017, postponing from fiscal 2012 stipulated in the present fisheries basic plan. In an attempt to promote structural reforms in fishing villages, the outline proposes introducing in fiscal 2008 measures, such as subsidies for fishing operators who meet fixed conditions.

7) Prime minister attends convention calling for return of Northern Territories, showing eagerness to resolve the issue

YOMIURI (Page 4) (Full)
February 8, 2007

Prime Minister Abe attended the National Convention for the Return of the Northern Territories held by the government and private-sector groups in Tokyo yesterday marking Northern Territories Day. Delivering a speech in the rally, Abe expressed his determination to work hard to resolve the deadlocked issue, saying:

"Improvement in Japan-Russia relations will certainly benefit the two countries. I will persistently address the Northern Territories issue in an effort to reach a settlement."

It has become customary for the prime minister to attend the annual convention, but former Prime Minister Koizumi did not attend it for two consecutive years for such reasons as a cold and the Diet schedule. Given this, some had questioned the government's interest in the issue.

In the convention yesterday, one participant criticized Foreign Minister Aso for the idea he presented last December to set a border by splitting the four islands in half by area.

8) Japan gets no info from S. Korea about rocket plan

YOMIURI (Page 1) (Abridged)
February 8, 2007

South Korea has plans to launch a rocket in 2008 at a site currently under construction on the southern tip of the Korean Peninsula. Meanwhile, the Japanese and South Korean governments' informal consultations on this issue have been delayed, sources revealed. In addition, South Korea has not disclosed information about the rocket plan, including its flight path and safety measures. Since the rocket's flight path is unknown, the Fisheries Agency remains unable to give explanations to Japanese fishermen operating near the launch site. Tokyo will work on Seoul to hold the next round of consultations by this summer at the latest.

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South Korea is now building a large-scale launch site on an island situated about 150 km west of Tsushima, Nagasaki Prefecture, and about 200 km northwest of Fukuejima, one of the Goto Islands in the prefecture. South Korea will start next year to operate the KSLV-1, a rocket designed to deliver a 100-kg miniature scientific satellite to a low orbit at an altitude of 300-1,500 km.

9) Agreement already reached between Japanese, US governments on Futenma plan: USFJ commander

MAINICHI (Page 2) (Full)

February 8, 2007

US Forces Japan (USFJ) Commander Wright, meeting the press yesterday, underscored his negative view of revising the plan to relocate the US Marine Corps' Futenma Air Station in Okinawa Prefecture to the coastal area of Camp Schwab in the northern Okinawa city of Nago as part of USFJ realignment. Defense Minister Fumio Kyuma has suggested a revision of the coastal relocation plan. "The Japanese and US governments have agreed on the entire picture," Wright said. Meanwhile, Kyuma has said Japan would do what concerns Japan. Asked about this stance, Wright stressed the importance of bilateral consultations between Japan and the United States, suggesting the need for Japan and the United States to talk with each other constantly at intergovernmental and all other levels.

In addition, Kyuma and Foreign Minister Taro Aso have also voiced their criticism of the United States' Iraq policy. Wright, however, indicated that their critical remarks would have little impact on bilateral relations, saying, "Secretary of Defense Gates will continue every possible effort to maintain our strong alliance."

10) F-22 deployment to Kadena proves importance of alliance: USFJ chief

YOMIURI (Page 2) (Full)
February 8, 2007

US Forces Japan (USFJ) will temporarily deploy the F-22 Raptor, a state-of-the-art stealth fighter jet, to the US Kadena Air Base in Okinawa Prefecture from Feb. 10. This deployment proves that the US government regards the Japan-US alliance as "very important," USFJ Commander Bruce Wright told the Yomiuri Shimbun and other news media in Tokyo yesterday. Wright stressed that the planned F-22 deployment to Kadena is aimed at showing the United States' intention to be deeply engaged in East Asia, given such instabilities as North Korea's nuclear test. The US Air Force plans to deploy a total of 12 F-22 jets to Kadena for about three months. Wright explained that their first long-range flight from the US mainland to Japan is also a part of their training.

Meanwhile, China recently test-destroyed a satellite in outer space with a ballistic missile. "This is new cause for concern about China's forces," Wright said. The commander added: "We will carefully remain on the alert in cooperation with Japan, South Korea, and Russia. We'd like to grasp China's intentions toward East Asia and the world, while constructively engaged with that country."

11) PKO: Defense Ministry to expand dispatches of individuals; Training of experts to be started

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SANKEI (Page 5) (Slightly Abridged)
February 5, 2007

The Defense Ministry yesterday decided to expand dispatches of individuals, such as truce monitors and headquarters personnel, to United Nations peacekeeping operations (PKO) and started making preparations to set up a training system for experts. The decision is based on the decision that in order for Japan to aim at securing a permanent seat on the United Nations Security Council (UNSC), it must dispatch personnel who can fulfill the role of advisers, as one senior Defense Ministry official put it. The readiness command to be launched in March will start personnel training.

The government plans to dispatch in March eight Self-Defense Forces personnel to the UN Political Mission in Nepal (UNMIN) for monitoring the ceasefire between the Nepal government and the Maoist Nepal Communist Party, former insurgents. The dispatch of ceasefire monitoring personnel by Japan will be the first since the 1992-93 dispatch of personnel to the UN Transitional Authority in Cambodia (UNTAC) for reconciliation.

The UN has sounded out Japan about the possibility of dispatching 5-10 personnel who have served as ceasefire monitors. However, most

of those who were dispatched to UNTAC are now in the position of commanding troops. It is not possible to dispatch them easily. As such, the Defense Ministry has decided to dispatch personnel mainly from among lieutenant colonels and majors who have served in overseas operations, such as Iraq, even though they have not yet served as ceasefire monitors.

Since UNTC, only 65 personnel from among approximately 5,500 SDF personnel who have taken part in PKO have been dispatched as ceasefire monitors and personnel attached to headquarters. In an interview with the Sankei Shimbun, former commander Sharma of the UN Disengagement Observer Force (UNDOF), to which the SDF dispatches transportation unit personnel, pointed out: "The extent to which Japan is cooperating on PKOs cannot be seen if it only provides logistical support. It should exercise leadership by dispatching personnel at the rank of generals and officers."

12) Prime minister to make all-out effort to deal with falling birthrate: Health Minister Yanagisawa refuses to withdraw "healthy" statement

YOMIURI (Page 1) (Full)
February 8, 2007

Regarding measures to deal with the nation's falling birthrate, Prime Minister Abe during a Lower House Budget Committee session expressed his determination to have the cabinet tackle the issue as a body. He noted, "We are responsible for creating an environment where people can have babies and raise them, feeling at ease. We will do our utmost in order to create a society in which young people who want to get married and have children can realize their dreams.

Commenting on his statement made on Feb. 6 that "young people want to get married and have two or more children," and that this is a "very healthy situation," Health, Labor and Welfare Minister Yanagisawa stressed that he has no intention of taking back his statement. He noted, "I do not understand why I have to retract my

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statement." He then said, "Although young people may have such aspirations, there is a reality blocking their desires from being realized. Our challenge in tackling the declining birthrate is to fill that gap."

13) Minshuto to continue to pursue Health Minister Yanagisawa

YOMIURI (Page 2) (Excerpts)
February 8, 2007

Yesterday a full-fledged debate started over Health, Labor and Welfare Minister Hakuo Yanagisawa's controversial remarks at the House of Representatives Budget Committee as Diet proceedings returned to normal after one week. The main opposition party Minshuto (Democratic Party of Japan) developed a strategy of pointing out the government's defective measures for narrowing the social and income disparity and to help the socially weak. It will also take up the issue Yanagisawa's controversial remarks. The government, meanwhile, will strive to defend its position by taking a low posture.

Minshuto's Yukio Edano, whose wife underwent fertility treatment, and female lawmakers, familiar with the low birthrate issue, joined the debate to stress the seriousness of Yanagisawa's comments.

"(The health, labor and welfare minister) has repeatedly apologized for his remarks. Do you really think your comments were inappropriate? You cannot be forgiven by just offering apologies," Yoko Komiya of Minshuto questioned Yanagisawa's true feelings.

The reason why Minshuto is thoroughly pursuing Yanagisawa's remarks is the thinking that "his comments that shows his low view of women symbolically describes the Abe cabinet's views and policy," said a senior party member. Komiya also stressed: "The prime minister is blame to for appointing him to the post. I assume that the prime minister cannot sack him because (his remarks) are similar to the

cabinet's basic stance." The questioners brought about such social disparities as the expansion of non-regulatory employment, the shortage of obstetricians and gynecologists, and the existence of the working poor. Hiroshi Kawakami questioned: "Do you think Japan has an environment under which people can raise children with an easy mind?"

Yanagisawa repeatedly bowed deeply in apology, responding, "I apologize again for making inappropriate remarks."

14) DPJ President Ozawa's "slow but steady strategy"

MAINICHI (Page 5) (Full)
February 8, 2007

Daihaku Kasai

The opposition Democratic Party of Japan's (DPJ or Minshuto) President Ichiro Ozawa has resumed "canvassing one-seat constituencies," which he had suspended since the start of the year. Ozawa played a leading part in the recent tactic of boycotting Diet deliberations aimed at calling for Health Minister's resignation from his post, but now he intends to put Diet affairs into Acting Vice President Naoto Kan's hands and devote all his energies to preparations for the Upper House election. Although attention is now again focused on the moves of unaffiliated voters, Ozawa places

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importance on "grassroots" campaigning strategy to go out to meet as many people as possible to garner votes. He plans to hold a mini-gathering with farmers and owners of small businesses in various places across the country.

"Most Japanese are unaffiliated voters, aren't they? Someone says the ruling Liberal Democratic Party (LDP) has a monopoly on one-seat constituencies, but my analysis is that we have yet to make a good approach to them," Ozawa told a press conference at the Japan National Press Club yesterday and stressed that slow but steady campaigning by going out to various places to meet people will be a good measure to attract unaffiliated voters. He refrained from campaigning in January because of the party convention and preparations for a representative interpellation in the Diet, but he now declared: "I will spend more than half of this month and next month to visit local places." Starting with his visit to Fukui Prefecture on Feb. 2, Ozawa went to Ehime Prefecture on Feb. 5 and entered Yamagata Prefecture on Feb. 6. He is energetically moving to back up and support candidates.

The key to whether Ozawa can achieve the goal of upsetting the positions of the ruling and opposition parties in this summer's Upper House election is how many wins his party will have in the 29 one-seat constituencies up for the election across the country. So far Minshuto has determined candidates to run for 22 such constituencies, including those in Akita Prefecture, Toyama Prefecture, and Okinawa Prefecture, where joint candidates will be put up in cooperation with other opposition parties, such as the Social Democratic Party (SDP). Ozawa has a strong interest in the Tohoku bloc, his home town. He stressed, "The Tohoku area has four one-seat constituencies and it is an area that has most suffered the negative impact of politics discarding the weak." Early next week, he will go to Aomori Prefecture and Akita Prefecture.

15) Lawmaker Nishimura ruled guilty over lending name

ASAHI (Page 1) (Excerpts)
February 8, 2007

The Osaka District Court yesterday gave a suspended two-year prison sentence to House of Representatives lawmaker Shingo Nishimura, 58, for receiving illegal kickbacks in return for allowing an unqualified person to use his name and perform legal work. Presiding Judge Hiroyuki Nakagawa said, "He eroded public trust in the law profession and his deed is irresponsible." But the judge acquitted Nishimura on charges of violating the law to prevent organized crime.

Nishimura: I will continue to serve in Diet seat

At a press conference after he was handed the verdict, Nishimura said: "I want to apologize from the bottom of my heart to the public." He expressed, however, his intention to continue his parliamentary activities, saying, "There is no change in my position to work on the North Korea's abduction issue in order to fulfill my duty as a Diet member."

Minshuto (Democratic Party of Japan), to which he belonged, has already dismissed him from membership and adopted a resolution calling on him to give up on his Lower House seat. According to the Public Offices Election Law and the Diet Law, if he violated the Attorney Law, he will lose his Diet seat when his jail sentence is

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decided.

SCHIEFFER